

2253Z 01 OCT 63

S E C R E T

CD
BFBMD
DTECH
SD
RB

ROUTINE

TOR: 0249Z 02 OCT 63

IN 93637

25X1

BA/920
PROPOSAL
Section

ATTN: [REDACTED]

1. REFERENCE [REDACTED] PROPOSAL DTD 14 AUG 63 TO IMPROVE THE R-44 MODEL SEXTANT AND [REDACTED] WHICH PROVIDED FCG ENGINEERING APPROVAL WITH EXCEPTION OF SKY COMPASS PORTION.

2. [REDACTED] IS AUTHORIZED TO OBLIGATE [REDACTED] OF FOG FY-64 FUNDS FOR THE MODIFICATION OF [REDACTED] UNITS. [REDACTED] SUGGESTS A UNIT PRODUCTION RATE BE NEGOTIATED COMMENSURATE WITH FUNDING AVAILABLE. COMPLETION OF REMAINING 14 UNITS AT [REDACTED] EACH FROM FY-65 FUNDS SHOULD BE CONTEMPLATED AND THE CONTRACTOR SO NOTIFIED OF THE GOVERNMENT'S INTENT.

3. FOG REQUEST FOR EMERGENCY FY-64 FUNDS FOR THIS PROCUREMENT WAS NOT FAVORABLY CONSIDERED. WE PROPOSE ADJUSTING FUNDS WITHIN PROGRAMS TO COVER THIS ESSENTIAL MODIFICATION. FOG WILL BE MOST PLEASED TO ACCEPT TOTAL FUNDING RESPONSIBILITY FOR THIS PROGRAM SHOULD REPROGRAMMING PRESENT A PROBLEM TO YOU. [REDACTED] DESIRES FIRST 30 UNITS GO TO FOG INSTALLATION.

END OF MESSAGE

S E C R E T